Town Council Regular Meeting
Agenda Item 6.a.

Agenda Item: **Resolution 26-G-28 to adopt the FY 2028 through FY 2032 portion of the FY 2027-FY 2032 Town of Herndon Capital Improvement Program**

Meeting Date: April 28, 2026

Category: General

Prepared by: John Irish, Deputy Director of Public Works, John Verdin, Capital Projects Program Manager

Description:
This resolution adopts the FY 2028 through FY 2032 portion of the FY 2027-FY 2032 CIP.

Background/Timing Impact:
The Capital Improvement Program (CIP) is a financial planning document that establishes a six-year schedule for capital improvements. It serves as a companion policy document to the Town of Herndon 2030 Comprehensive Plan and the town's Annual Operating Budget. The focus of this action concerns the FY 2028 through FY 2032 CIP, as the first year of the CIP (FY 2027) is included in the FY 2027 Adopted Budget. The CIP document includes all six years and thus is referred to as the FY 2027 through FY 2032 CIP. Along with the FY 2027 Budget, the CIP is published on the town's website.

As required by the Code of Virginia, the Planning Commission held a public hearing on the proposed CIP on February 23, 2026. The Planning Commission adopted Resolution 26-PC-003 recommending approval of the proposed CIP to the Town Manager.

Timing Impact:
The Capital Improvement Program (CIP) undergoes an annual review to ensure alignment with the Town's strategic priorities and resource availability. Preparation of the CIP is coordinated with the development of the proposed annual budget, with funding for the first year included in the adopted budget. At this time, staff is requesting Town Council adoption of the remaining five years of the CIP. This adoption supports long-term planning efforts and allows staff sufficient time to continue the annual review and project prioritization process in preparation for the next budget cycle.

Strategic Focus Area:
Strong Fiscal Stewardship

Fiscal Impact:
The FY 2027 Capital Improvement Program is part of the FY 2027 proposed budget. Impact will occur after adoption by the Town Council in FY 2027, which begins on July 1, 2026. The proposed FY 2027-2032 CIP will require expenditures of $31,179,014 for 22 projects in FY 2027 and $270,432,658 for 38 projects over the six-year CIP schedule. The CIP anticipates the issuance of $34,600,000 in general obligation bonds, $38,000,000 ($25M - Sewer Capacity and $13M - Sewer Conveyance) in Water and Sewer bonds, and anticipates the town will receive $90,802,819 in grants from various federal, regional, and state sources, and $6,840,214 in amended revenues, capital reserves, and proffers over the six-year CIP schedule. The CIP also includes five multi-modal transportation projects with an estimated cost of $15.2 million ($15,206,010) that have no funding source at this time. These projects are included for planning purposes only and will not move forward unless and until project funding is identified.

Legal Impact:
The Capital Improvement Program is developed in accordance with Section IV, Budget Management - Capital Budget, of the town's Financial Policy Guidelines.

Staff Recommendation/Next Steps:
Staff recommends adoption of the proposed resolution.

Attachments:
1. Resolution (Proposed)
2. Presentation